



# WILBANKS PARTNERS

## Hybrid Work Coming of Age: Innovation Bottlenecks in Leadership Development (Part 2)

*Imagine at the end of the next meeting you host (probably including both in person and virtual participants) that every team member is sent a confidential text asking them to rate the time spent with the questions “1) On value of the time committed, would you attend this meeting again or recommend it to a colleague? 2) Rate your recent meeting for overall effectiveness.” Most managers are not prepared for the Bain Net Promoter Score Card results to be widely visible in their firm and to have this scorecard tied to compensation and promotions.*

The flexibility of hybrid work policies that have developed over the last 18 months will offer innovative investment firms obvious strategic advantages over slower moving competitors that try to return to fixed in-office work expectations (see our March 2021 blog, [“The Future of Hybrid Work Policies — Significant Strategic Gains for Employers with Adaptive Programs.”](#))<sup>1</sup> However, these benefits do not erase the substantive concerns about more limited in-person work time negatively affecting company performance, particularly on non-financial metrics. The most difficult challenge is that the benefits of hybrid work efficiencies are obvious and quantifiable in the short term. The pitfalls of the degradation of culture, training, ideation, and relationship building over a longer time frame are difficult to measure and are even more difficult to reverse.

This dilemma creates a critical call to action to upskill managers at every level of the company so that they can respond effectively to the opportunities hybrid work models



offer while mitigating concomitant risks. We will explore both the types of skills necessary, as well as catalogue a number of best practices that we have observed.

The requirement is that business leaders rapidly develop a new and much more sophisticated suite of skills for evolving hybrid work environments. The challenges are numerous, including:

- Which roles facilitate remote work, and at what levels? How do you successfully communicate and manage these divisions of flexibility, both within the firm and within the department? Detailed plans must be created and presented transparently to the organization to ensure the perception of equity among team members.<sup>2</sup>
- With fewer hours in the office, can managers effectively accomplish the tasks that require in-person interactions and maximize the potential of this limited time? Purposeful planning on the part of managers and team members and recreating the corporate real estate footprint for these tasks will be essential.<sup>3</sup>
- With more hours of remote work, what tools are most important to team members and managers? How do you measure productivity for benchmarking the future evolution of work practices? Continued and substantive upgrades of technology and software tools, as well as training for effective use, will be required.<sup>4,5</sup>

### **Communicate Flexibility as a Starting Point**

At the corporate level, it is essential to communicate a high degree of flexibility while demanding that managers and team members use delegated authority conservatively and responsibly. There is a substantive disconnect between employee expectations and executive leadership desires in the asset and wealth management industry.<sup>6,7,8,9</sup>



We believe that there are a number of examples of corporate strategies that have balanced this effectively. Using the dress codes as an example, some companies have delegated responsibility to the individual team members “to dress appropriately for the tasks at hand.” This could involve a male sales professional wearing jeans and collared sport shirt to a meeting with the Treasurer of a fintech venture firm in Silicon Valley or conservative suit and tie to a meeting with the Board of a family office in downtown Boston.

Creating metrics that assess the success of this distributed management technique through peer and client surveys is a small price to pay to monitor the effectiveness of this style of delegated authority. Additionally, these reviews provide opportunities to intervene when problems or confusion arise. A prescriptive model of rules and regulations defeats the purpose of creating an environment of flexibility, even if the final result of the delegated authority is actually more conservative and reflects traditional choices on the part of team members (as is usually the case).

### **Demanding Accountability in the Office; Make Better Use of More Limited Time**

At the department level when specific tasks and functions are determined to require in-person meetings, a more standardized set of rules becomes essential, as there are clear criteria for success when blending work styles. Managers must spend more time planning and staging in-person meetings to make better use of more limited time resources. Gone are the days of a standing weekly meeting without an agenda. Assigned preparation for all team members is essential, and the agenda must include specific metrics for the output of the session, even if it is “team building and ideation, followed by dinner.”<sup>10</sup>

Creating a scoring system with opportunities for feedback in pursuit of continuous improvement goals is essential for managers to gain the confidence of team members.



Imagine that the scheduling software embedded in calendars not only sets alerts and reserves conference rooms or video bandwidth, but it also sends a two-question confidential survey by text to each participant minutes after the meeting's conclusion: “1) On value of the time committed, would you attend this meeting again or recommend it to a friend? 2) Rate your recent meeting for overall effectiveness.” Many managers are probably unprepared for this high bar.<sup>11</sup> Providing training and development, communicating expectations clearly, and starting this process at the top of the organization, will be essential for success.

### **Demanding Accountability When Remote; Personal Presentation Is Key**

In situations where remote work is appropriate, minimum acceptable skills and tools are essential. Team members and managers must commit to a dedicated and secure workspace without interruptions, and they must present themselves as available for *ad hoc* video or telephone calls, having dressed appropriately as if they were in the office (task appropriate is the best guideline). Dogs barking, family interruptions, workout apparel, insufficient bandwidth, and “can I call you later” without a designated personal or business marker in the corporate calendar, are all unacceptable. As we emerge from the pandemic, some of the necessary informalities in the face of crisis must disappear. Without this discipline, it is likely that subtle misunderstandings and miscues could derail careers or diminish the effectiveness of a leader or members of their team.

More subtle signals on preparedness, such as the use of a corporate background screen in place of a busy home office bookshelf during video calls, or adjusting the lighting of the room or camera location to make it easier for others to make eye contact, can become influential factors in effective communication. Fluency in utilizing the video platform for activities such as screen sharing, or managing a larger townhall,



gives team members confidence in their manager(s) and peers, and needs to be part of a formal training and development program.

## **Training and Development**

In any significant transition in a business environment, training and development are essential to equip managers and team members with the skills to operate in the face of new challenges. As a word of warning, our anecdotal survey data shows that the most seasoned “C-Suite” executives are often the ones most in need of training around the hybrid work tools described so far, for they have spent most of their careers in an in-person environment. Millennials and Gen Xers have grown up in a more flexible and digitally native world; however, they are often still in need of coaching on the importance of discipline and consistency in communication in the workplace, wherever that may be.<sup>12</sup> Starting with C-Suite leaders will be important in driving the receptivity for these hybrid work skills training programs.

Two key areas of training for managers have emerged. The first is in-person meeting planning and execution effectiveness.<sup>13,14,15</sup> The second is the use of digital communication, scheduling, project management, and cloud-based data management software tools.<sup>16,17,18</sup>

Planning and running a large client conference pre-pandemic exemplified the effective combined use of technology, theater, speaking, marketing, and entertainment tools at most firms, incorporating multiple functions and employing external consulting experts. In a hybrid work environment, a one-hour staff meeting needs to use similar tools in order to maximize the benefits of more limited in-person time. Don’t underestimate the complexity of winning the trust of team members in a limited time environment



Every day, we all use a suite of technology and software tools (such as iOS/Android mobile phones, tablets, laptops, scheduling/calendars, project management, document management, CRMs, and instant communication from text messaging to Slack), among a panoply of other examples. Stitching these tools together in a remote work environment is an art with a deep science underpinning, and creating a baseline of skills and expectations among team members in how the firm's enterprise platform is best utilized is a challenging but necessary undertaking.

### **Measuring Effectiveness**

It will be necessary to develop more sophisticated tools for tracking the effectiveness of both in-person and remote work. There is a delicate balance for using metrics in a way that is perceived as enhancing productivity without becoming invasive. These metrics are particularly important for iterative improvements and adaptations of various methods of balancing hybrid work in different business climates, with different clients, and across various functions within a company.

Managers need to utilize sophisticated project tracking and management tools, and embrace more thorough adoption of CRM systems, as an example. Team members must realize that adoption of these *cloud-based shared data resources* is critical to providing the flexibility that leads to greater work efficiency when teams are operating on a distributed geographic and time basis. There is a deep reference base of project management tools from other industries that can be adopted, but becoming fluent and effective with any set of software tools requires extensive training and practice. More effective utilization of these tools began in response to pandemic innovation, but our observations to date show that there is still a great deal of room for improvement at most asset managers.



These project management tools have the benefit of becoming a data repository where managers can track team members' progress against goals, provide coaching and development as necessary, and adapt work schedules if necessary. This is a far cry from the weekly staff meetings so common at many firms pre-pandemic. For many managers and team members, the greater accountability and attention to detail will feel like learning a new language.

The adoption video meetings moved swiftly with great effectiveness during the pandemic, but in a flexible work environment, while specific days may be set aside for in-person meetings, it is likely that teams meeting in-person will need to incorporate a small number of team members working remotely for a critical task. Providing the technology infrastructure and greater access to video workspaces/conference rooms will become a critical part of the toolkit for success (as opposed to a group of team members each sitting at their workstations in the office attending the same video meeting, which we have observed with startling frequency). Fortunately, there is a significant track record of best practices in other industries and multiple vendors who can facilitate video communications platforms with very high resolution and flexibility.

## **Conclusion**

Our anecdotal observations indicate that although a large number of asset managers are moving forward with a “job appropriate” flexible hybrid work environment, very few have embarked on the ambitious process redesign initiatives that are necessary to make these initiatives work seamlessly.

- Train managers to make more effective use of limited in person work time, start with meeting planning and execution, and start at the top.
- Set standards for remote work behavior, there is a “dress and office behavior code” and minimum skills requirement.



- Invest in physical plant. Adapt traditional office environments quickly to the new reality, and expect to invest in iterative improvement. Best practices abound in other professional services segments.
- Invest in software and hardware tools, and set rigorous training requirements for effective use. Training is more important than bleeding edge technology.

We are encouraging industry members to speak out on these issues to share best practices, and for associations to incorporate more and better content on the topic during the fall 2021 conference events.

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## Notes

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